

## AIRPORT (10)

### AGENCY PLAN MISSION, GOALS AND BUDGET SUMMARY

#### AGENCY MISSION:

Strategically position Detroit City airport to capitalize on the ever-expanding opportunities of the aviation industry with innovation as an essential tool to maximize Detroit City Airport's economic benefit to our community and region.

We envision Detroit City Airport the hub of a district that is safe, secure and clean, that attracts services beyond the need of the aviation market and serves the community at large as an industrial and commercial center.

#### AGENCY GOALS:

1. Enhance the Airport's image as a premier gateway to Metropolitan Detroit.
2. Drive change and strategy plan for future development.
3. Reach and maintain self-sufficiency by improving our cost recapture ratio.
4. Promote air trade development.
5. Develop and train the aviation team to exceed our public's desire for service excellence.
6. Increase local youth exposure to the aviation industry and potential career opportunities.

#### AGENCY FINANCIAL SUMMARY:

2003-04 <u>Requested</u>		2002-03 <u>Budget</u>	2003-04 <u>Recommended</u>	Increase (Decrease)
\$ 4,048,933	Operating Appropriations	\$ 4,048,933	\$ 3,879,837	(169,096)
-	Grant Appropriations	-	-	0
<u>10,460,750</u>	Capital Appropriations	<u>135,000</u>	<u>500,000</u>	<u>365,000</u>
\$ 14,509,683	Total Appropriations	\$ 4,183,933	\$ 4,379,837	195,904
\$ 1,518,232	Departmental Revenues	\$ 1,518,232	\$ 1,090,658	(427,574)
-	Grant Revenues	-	-	0
<u>10,460,750</u>	Capital Revenues	<u>135,000</u>	<u>500,000</u>	<u>365,000</u>
<u>2,530,701</u>	General Fund Support	<u>2,530,701</u>	<u>2,789,179</u>	<u>258,478</u>
\$ 14,509,683	Total Revenues	\$ 4,183,933	\$ 4,379,837	\$ 195,904
\$ -	NET TAX COST:	\$ -	\$ -	\$ -

#### AGENCY EMPLOYEE STATISTICS:

2003-04 <u>Requested</u>		2002-03 <u>Budget</u>	04-01-03 <u>Actual</u>	2003-04 <u>Recommended</u>	Increase (Decrease)
<u>25</u>	City Positions	<u>24</u>	<u>23</u>	<u>23</u>	(1)
25	Total Positions	24	23	23	(1)

#### ACTIVITIES IN THIS AGENCY:

	2002-03 <u>Budget</u>	2003-04 <u>Recommended</u>	Increase (Decrease)
Airport Operations	\$ 4,183,933	\$ 4,379,837	\$ 195,904

## **AIRPORT (10)**

### ***AIRPORT OPERATIONS ACTIVITY INFORMATION***

#### ACTIVITY DESCRIPTION: AIRPORT OPERATIONS

The Airport Department operates Detroit City Airport, which encompasses approximately 300 acres of land, bounded by Gratiot and Grinnell on the south, Conner on the east, French Road on the west and Mt. Olivet Cemetery on the north.

There are two runways: the east/west runway (7/25) is 4,025 feet by 100 feet wide and the north/south runway (15/33) is 5,090 feet by 100 feet wide.

The major facilities within the Airport boundaries are: the Air Carrier Terminal, Executive Terminal including 14 large hangar bays, Triturator, ramp equipment storage building, fire station - #20, 129 T-Hangars (96 small, 23 medium and 10 large) and 1,000 automobile parking spaces.

City Airport is vital to the City's transportation infrastructure and a key component in attracting more business, passengers and air flights to the City of Detroit.

#### MAJOR INITIATIVES:

A number of improvements and activities occurred at Detroit City Airport during the fiscal year (2002-03):

- Completed updating the Airport Master Plan including railroad relocation and runway safety area studies.
- Continued land acquisition in the French Rd. Land Acquisition Project.
- Repaved the Executive Terminal drive.
- Clean up of Airport property, grounds and disposal of obsolete equipment.
- Constructed a canopy in front of the Main Passenger Terminal.
- Implemented a targeted marketing program to identify airline and potential businesses to locate at City Airport.
- Started an Aviation Explorers post and sponsored Young Eagle Fly-ins.
- Flight path obstruction removal – Demolished to DeLasalle School.

The revised City Airport Master Plan (CAMP) represents a framework for development of our Airport over the next twenty years. Due to a historic lack of investment over many years, City Airport cannot optimize its position in the aviation industry. The Airport has a high level of itinerant (3 to 1 vs. local) use that indicates that we are a gateway to metropolitan Detroit. We must strengthen our position in the industry through investment and marketing. Implementing the CAMP will modernize our airport, allow for exponential growth in air commerce, and support the re-development of Detroit.

The French Rd. Land Acquisition Project continues as part of our modernization effort to reduce the design standard waivers issued by the Federal Aviation Administration (FAA). The project is an opportunity to leverage City resources 900%. If we spend \$10M, the FAA, will return \$9M. To date we have acquired over 100 parcels. Progress can be accelerated with the proper level of funding.

Repaving the Executive Terminal Drive and our general clean-up effort provide an appealing environment to our customers. Since our role as a gateway is vital to Detroit, we must ensure that the public impression of the City Airport is one that is safe, secure and well maintained. We served over 35,000 corporate, charter customers in calendar year 2002. That number will grow as the charter and fractional aircraft industries grow.

Construction of the canopy at the Main Passenger Terminal signals a commitment to City Airport and the vital role it plays in the City of Detroit transportation infrastructure. It will also provide shelter and comfort to our customers that utilize the terminal for airline flights and rental car services. This project was funded with a State grant and income generated from property that was acquired with Federal funds.

## **AIRPORT (10)**

Our targeted marketing campaign utilizes the services of a nationally recognized aviation consultant. We have assessed all of the aviation facilities in this region, or competition, to determine how we compare. We compare well with most facilities except in the realm of the physical plant, particularly runway length. Our campaign focuses on our greatest asset, which is our location and proximity to other modes of transportation. We will select those firms that can optimize their operations at City Airport and recruit them here and integrate some of the economic incentives in place such as our renewal community zone location.

Finally, we must emphasize to our local youth the wealth of opportunities available to them in the aviation industry and develop programs to mentor them along their career path. The Explorers Post and Young Eagle effort are only the beginning. We also conduct an annual internship program for high school youth and are working toward obtaining a Community Learning Center designation to obtain educational funding to mentor and develop middle school students.

### **PLANNING FOR THE FUTURE:**

Over the next three to five years the Airport Department's challenge will be to modernize our facilities, improve our customer focus, revamp our business practices and structure our department to reflect our present operating environment yet remain flexible for growth. Restoring and maintaining airline service is an integral part of our planned service mix because of the funding opportunities and public support such service attracts. However, we must not fall into the trap of having airline service as a revenue stream as our only objective. Our goal is to place a greater emphasis on not just strategic planning but strategic action.

It is important to get the CAMP approved and implemented through public and private partnerships. Faced with the pending Federal Aviation Administration's nationwide effort to have standard safety areas in place on every runway in the nation by 2007, we must act to improve this valuable asset or lose the utility of it. If the FAA imposes these modern standards, the Airport will most likely have to shorten the existing runway and become unable to serve our present corporate clients and airline service would not be possible. A replacement runway at Detroit City Airport is key.

We want to become more of a learning organization that is well equipped and flexible. As we improve our facilities, we are developing our staff with training in customer service, time management, and teambuilding as core requirements for employment at City Airport. As we empower personnel in this way, we will be prepared to provide service excellence driven by customer demand.

We will continue to expand our career and personal development programs offered to local residents, particularly our young people. For Detroit City Airport to thrive, the community around it must be improved. Through our participation in community and economic development groups, we will influence and drive improvements to the bordering aesthetic atmosphere and improve the curb appeal of the entire East Side of Detroit. The Airport Department will increase its role as a community asset. Resources such as the Detroit Fire Department deploying a first responder unit here that demonstrates that our Airport is well positioned, bordering on three planning clusters, to serve as staging area for multiple resources. That is another unique and valuable aspect of Detroit City Airport.

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### *AIRPORT OPERATIONS MEASURES AND TARGETS*

Goals: Measures	2000-01 Actual	2001-02 Actual	2002-03 Projection	2003-04 Target
Reach and maintain self-sufficiency by improving Airport cost recapture ratio	60.85	46.19%	65.00%	75.00%
Enhance the Airport's image by improving the security and aesthetics:				
Corporate/Charter Passengers	N/A	27,830	37,000	40,000
Itinerant Operations	N/A	N/A	N/A	N/A
Maintain Compliance with FAA regulations:				
Number of Regulatory Violations	N/A	N/A	N/A	N/A
Create ideal atmosphere for our customers:				
Capital Investment	\$2,800,000	\$1,262,708	\$2,632,076	\$5,200,000
Attract and retain airline service:				
Airline Enplanements	44,546	N/A	N/A	10,000,000
Build a positive and productive work environment:				
Number of hours training	969	736	1,172	2,304
<b>Activity Costs</b>	\$10,781,648	\$7,739,540	\$4,183,933	4,379,837

**CITY OF DETROIT**  
**Airport Department**  
**Financial Detail by Appropriation and Organization**

<b>Administration</b> <b>Airport Operations</b>	<b>2002-03</b> <b>Redbook</b>		<b>2003-04</b> <b>Dept Final</b> <b>Request</b>		<b>2003-04</b> <b>Mayor's</b> <b>Budget Rec</b>	
	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>
<i>APPROPRIATION ORGANIZATION</i>						
00223 - Airport Operations						
100010 - Administration	6	\$1,138,395	6	\$1,288,401	6	\$1,248,435
100020 - Maintenance	8	\$1,690,251	8	\$1,580,652	10	\$1,592,136
100030 - Operations	7	\$629,281	8	\$529,399	4	\$468,409
100040 - Public Safety	3	\$591,006	3	\$650,481	3	\$570,857
<b>APPROPRIATION TOTAL</b>	<b>24</b>	<b>\$4,048,933</b>	<b>25</b>	<b>\$4,048,933</b>	<b>23</b>	<b>\$3,879,837</b>
10088 - Capital Reinvestment						
100410 - Airport Local Match - CR	0	\$135,000	0	\$10,460,750	0	\$0
<b>APPROPRIATION TOTAL</b>	<b>0</b>	<b>\$135,000</b>	<b>0</b>	<b>\$10,460,750</b>	<b>0</b>	<b>\$0</b>
10280 - Airport GO Bonds						
100247 - Mini-Take Land Acquisition GO 03-04	0	\$0	0	\$0	0	\$500,000
<b>APPROPRIATION TOTAL</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$500,000</b>
<b>ACTIVITY TOTAL</b>	<b>24</b>	<b>\$4,183,933</b>	<b>25</b>	<b>\$14,509,683</b>	<b>23</b>	<b>\$4,379,837</b>

**CITY OF DETROIT**  
**Budget Development for FY 2003 - 2004**  
**Appropriations - Summary Objects**

	<b>2002-03 Redbook</b>	<b>2003-04 Dept Final Request</b>	<b>2003-04 Mayor's Budget Rec</b>
<b>AC0510 - Airport Operations</b>			
<i>A10000 - Airport Department</i>			
SALWAGESL - Salary & Wages	1,357,348	1,273,326	1,201,959
EMPBENESL - Employee Benefi	677,108	714,400	704,423
PROFSVCSL - Professional/Cont	522,643	445,035	441,035
OPERSUPSL - Operating Supplie	437,347	355,347	345,766
OPERSVCSL - Operating Service	917,072	1,087,025	1,050,854
CAPEQUPSL - Capital Equipmen	38,125	40,400	540,400
CAPOUTLSL - Capital Outlays/M:	50,000	50,000	40,000
OTHEXPSSL - Other Expenses	184,290	10,544,150	55,400
<i>A10000 - Airport Department</i>	<i>4,183,933</i>	<i>14,509,683</i>	<i>4,379,837</i>
<b>AC0510 - Airport Operations</b>	<b>4,183,933</b>	<b>14,509,683</b>	<b>4,379,837</b>
<b>Grand Total</b>	<b>4,183,933</b>	<b>14,509,683</b>	<b>4,379,837</b>

**CITY OF DETROIT**  
**Budget Development for FY 2003 - 2004**  
**Appropriation Summary - Revenues**

	2001-02 Actuals	2002-03 Redbook	2003-04 Dept Final Request	2003-04 Mayor's Budget Rec	Variance
<b>A10000 - Airport Department</b>					
<i>00223 - Airport Operations</i>					
442100 - Electrical	29,774	25,000	27,000	27,000	2,000
447320 - Articles Bought For Res	141	1,000	0	0	(1,000)
447505 - Telephone And Telegran	0	2,500	0	0	(2,500)
447600 - Other Reimbursements -	1,590	0	1,500	1,500	1,500
448115 - Other Fees	1,492	70,000	61,005	0	(70,000)
448120 - Other Fees - Landing Fe	75,667	150,000	150,000	81,500	(68,500)
448140 - Passenger Enplanemen	(67,873)	200,000	200,000	0	(200,000)
462100 - Rental-Public Bldgs & S	467,901	66,500	180,000	180,000	113,500
462165 - Parking Facilities Reven	4,479	15,000	15,000	5,000	(10,000)
462200 - Rental - Airport	(16,993)	75,159	75,159	75,159	0
462205 - Rental - Conference Roc	50	0	0	0	0
462210 - Rental - Bays	298,171	250,000	285,000	285,000	35,000
462215 - Rental - Police Hangar	4,950	38,354	38,354	38,354	0
462220 - Rental - T-Hangars	260,797	205,000	288,995	288,995	83,995
462225 - Rental - Tiedowns	(524)	10,000	10,000	10,000	0
462230 - Rental - Misc. Property	8,305	20,000	10,000	10,000	(10,000)
463175 - Restaurant Concessions	(780)	2,000	0	0	(2,000)
463205 - Other Concessions	17	0	0	0	0
463210 - Other Conc - F.B.O. Flo	72,786	89,600	89,600	74,000	(15,600)
463215 - Other Conc - F.B.O. Mi	4,191	2,000	4,150	4,150	2,150
463220 - Other Conc - Gift Shop	0	2,000	0	0	(2,000)
463225 - Other Conc - Car Rental	4,018	75,000	42,469	5,000	(70,000)
463230 - Other Conc - Advertising	0	500	0	0	(500)
463235 - Other Conc - Freight Su	0	74,619	30,000	0	(74,619)
463240 - Other Conc - F.B.O. Co	(1,765)	130,000	0	0	(130,000)
463250 - Other Conc - Anr Flowa	0	4,000	0	0	(4,000)
463255 - Other Conc - Catering F	1,380	0	0	0	0
474100 - Miscellaneous Receipts	29,593	10,000	10,000	5,000	(5,000)
540105 - General Fund Contributi	3,654,336	2,530,701	2,530,701	2,789,179	258,478
<i>00223 - Airport Operations</i>	<i>4,831,703</i>	<i>4,048,933</i>	<i>4,048,933</i>	<i>3,879,837</i>	<i>(169,096)</i>
<i>04185 - Improvements</i>					
432340 - Grants - Other - Fed	2,835,345	0	0	0	0
462100 - Rental-Public Bldgs & S	339,544	0	0	0	0
<i>04185 - Improvements</i>	<i>3,174,889</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>10088 - Capital Reinvestment</i>					
522100 - Sale Of Bonds	0	135,000	10,460,750	0	(135,000)
<i>10088 - Capital Reinvestment</i>	<i>0</i>	<i>135,000</i>	<i>10,460,750</i>	<i>0</i>	<i>(135,000)</i>

**CITY OF DETROIT**  
**Budget Development for FY 2003 - 2004**  
**Appropriation Summary - Revenues**

	2001-02 Actuals	2002-03 Redbook	2003-04 Dept Final Request	2003-04 Mayor's Budget Rec	Variance
<b>A10000 - Airport Department</b>					
10279 - Airport General Grants					
432340 - Grants - Other - Fed	1,239,686	0	0	0	0
10279 - Airport General Grants	1,239,686	0	0	0	0
10280 - Airport GO Bonds					
461100 - Earnings On Investment	4,284	0	0	0	0
522100 - Sale Of Bonds	1,995,715	0	0	500,000	500,000
10280 - Airport GO Bonds	1,999,999	0	0	500,000	500,000
10335 - Passenger Facility Charge					
448141 - Passenger Facility Char	(132,057)	0	0	0	0
10335 - Passenger Facility Charge	(132,057)	0	0	0	0
10589 - Airport Projects - GO Bonds					
461100 - Earnings On Investment	1,176	0	0	0	0
522100 - Sale Of Bonds	548,820	0	0	0	0
10589 - Airport Projects - GO Bonds	549,996	0	0	0	0
<b>A10000 - Airport Department</b>	<b>11,664,216</b>	<b>4,183,933</b>	<b>14,509,683</b>	<b>4,379,837</b>	<b>195,904</b>
<b>Grand Total</b>	<b>11,664,216</b>	<b>4,183,933</b>	<b>14,509,683</b>	<b>4,379,837</b>	<b>195,904</b>



**CITY OF DETROIT**  
**MAYOR'S 2003/2004 RECOMMENDED BUDGET**

**Airport Department**

Appropriation	REDBOOK FY	DEPT REQUEST	MAYORS FY
Organization	2002 2003 FTE	FY 2003 2004 FTE	2003 2004 FTE
Classification			
<b>00223 - Airport Operations</b>			
<b>100010 - Administration</b>			
Airport Director	1	1	1
Manager II - Airport	1	1	1
Principal Governmental Analyst	1	1	1
Principal Accountant	1	1	1
Executive Secretary II	1	1	1
Principal Clerk	1	1	1
<b>Total Administration</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>100020 - Maintenance</b>			
Airport Service Foreman	1	1	1
Bldg Oper Sprv - Grade II	1	1	1
Airport Service Worker	4	4	6
Bldg Trades Worker-Gen	2	2	2
<b>Total Maintenance</b>	<b>8</b>	<b>8</b>	<b>10</b>
<b>100030 - Operations</b>			
Airport Operations Manager	1	1	0
Asst Airport Operations Mgr	1	1	1
Airport Operations Assistant	3	4	3
Airport Service Worker	2	2	0
<b>Total Operations</b>	<b>7</b>	<b>8</b>	<b>4</b>
<b>100040 - Public Safety</b>			
Airport Police Sergeant	1	1	1
Airport Police Officer	2	2	2
<b>Total Public Safety</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Total Airport Operations</b>	<b>24</b>	<b>25</b>	<b>23</b>
<b>Agency Total</b>	<b>24</b>	<b>25</b>	<b>23</b>